

or may not be transparent to the end user. If non-transparent changes in service are made at the same time, interval is an adequacy measure (see above for loop/platform differences). If no service changes are made or the changes are otherwise transparent to the end user, a performance measure may still be appropriate, albeit related to transactional, rather than service concerns.

- **Percent Service Provisioned Out of Interval:** Measured as a percentage of service orders completed more than X days. Ideally, measured incrementally by day. For example, orders completed in more than 3 days, 4 days, 5 days, and 6 days. This performance measure depicts the tail of the interval curve. Combined with the Average Installation Interval, portrays a robust picture of provisioning cycle time.
- **Percent Trunks Provisioned Out of Interval:** While not related to end-user perception of service, this performance measure depicts the speed with which the CLEC can build or expand its network capability so as to provide service in a timely manner. As such, it measures whether the CLEC has been provided the wherewithal to provide local service—a “meaningful opportunity to compete.”
- **Port Availability:** Measures, in a facilities-based interconnection arrangement, the timely availability of switching ports through which a CLEC interconnects with the BOC’s network.
- **Percent Missed Appointments—Company Reasons:** A critical performance measure, when tied to provisioning interval, of provisioning cycle-time performance. BOCs have historically used this as a key measure, and reporting of results is required by many state regulatory bodies and the FCC. Missed appointments is a parity measure under resale and an adequacy measure under UNE. Order completion is measured against the *original CLEC-requested due date*. No due date changes may be made unless explicitly specified by the end user or explicitly agreed to by the CLEC and the BOC. Orders missed for company reasons—load, facilities, or other—are included. Orders missed due to customer reasons are not counted as a miss for purposes of this measure.

- **Percent New Service Failures:** Measures the number of trouble reports on newly provisioned service during the first 7 to 30 days after order completion. Studies have shown high correlations between trouble reports and provisioning errors within 7 to 10 days, lower correlations beyond 10 days. New Service Failures is an excellent measure of provisioning quality and a reliable determinant of provisioning parity.
- **Completed Order Accuracy:** Measures the extent to which orders are completed by the BOC as ordered by the CLEC. It represents the quality of the provisioning process from the BOC gateway through order completion. Completed Order Accuracy will likely correlate with New Service Failures, in that about half of new service trouble reports relate to products or services ordered but not installed or products and services installed but not ordered.
- **Orders Held for Facilities:** Measures service orders not completed for a specified period time, usually 30 days, following the due date, generally for lack of network facilities. This is an important measure in determining whether the BOC prioritizes new facility work in a nondiscriminatory manner.

59. BellSouth has proposed the following provisioning performance measures:

- **Percent Service Provisioned Out of Interval:** Not proposed as a permanent measurement but negotiated as part of its interconnection agreements with AT&T and Time Warner. Applied to both resale and UNE interconnection arrangements, reported by percent completed over 2 days, 3 days, 4 days, and 5 days.
- **Percent Trunk Order Due Dates Missed.**
- **Percent Service Order Missed Appointments—Company Reasons:** Proposed for both resale and UNE.
- **Percent New Service Failures—Reports Received Within 30 Days of Installation:** Pertains to resale, UNE, and trunk circuit provisioning.

Where appropriate, BellSouth will disaggregate provisioning performance results into two sub-categories, non-dispatch and dispatch out.

60. BellSouth has not included the following provisioning performance measures either in its permanent measurements or in interconnection agreements that I have reviewed:

- **Average Provisioning Interval:** This is a critical performance measurement. BellSouth states that it has gathered and produced this data but “has not agreed to incorporate this data in the results regularly produced for the CLECs or state commissions, since the set of % Provisioning Appointments Met data already indicates BST’s performance in this area” (Stacy Performance Aff. ¶ 52). BellSouth argues that BST and CLECs draw appointments from the same database and further, that the OSS provides appointments on a first come, first served basis. Therefore, they argue, missed appointments are the only necessary means of detecting discrimination in the process.

In its application, BellSouth provides a table reflecting relative BST/CLEC interval performance in a given month, concluding that the results show “substantially equal levels of performance” (Stacy Performance Aff. ¶ 53). Stacy further claims non-discriminatory performance in Exhibit WNS-10 to his Performance Affidavit, which shows average service order interval results for BST and CLECs.

One problem with this data is that it measures the interval from service order issuance to *original due date*, not *completion date*. Second, the results represents only one month of data. Finally, analysis of the data, particularly in Exhibit WNS-10B, reveals some significant differences and may not show non-discrimination.

Average Service Provisioning Interval is critical to a determination of parity or adequacy:

- First, it is very visible to end users and highly correlates with their perception of their service provider.
- While due dates may be offered on a non-discriminatory basis, completion dates are the key to this measurement. BellSouth argues appropriately that percent appointments not met may reveal the differences between the original due date and the completion date. However, this is not adequate to detect discrimination.

Even if the percentage of appointments not met are equal, the average completion interval could differ significantly. For example, once missed, BellSouth *could* focus their attention on completing BST service orders at the expense of CLEC service orders.

- BellSouth has made it clear that much of the data required to provide the average interval is readily and abundantly available, although some enhancements may be necessary to partition “next available appointment” orders.
- Port Availability: The only performance measure used to detect discrimination in a total facilities-based interconnection arrangement.
- Completed Order Accuracy
- Orders Held for Facilities

61. Maintenance: Maintenance performance measures depict two sub-processes: (1) trouble reporting and clearance and (2) network quality.

- Trouble Reporting: Trouble reporting performance measures describe how quickly and how well end-user trouble is cleared. Performance parity exists if a CLEC customer trouble is cleared with at least the same speed and quality as the BOC retail or subsidiary customer. This is a highly visible process to the end user and has significant impact on the end user’s perception of the service provider. Typical trouble reporting performance measures include the following:
 - Trouble Report Rate: Measured as the number of trouble reports per customer or access line per month (usually annualized). Data is gathered by product and market categories and can be analyzed by cause and other factors. This is the most important measure of service reliability and historically positively correlates with an end user’s perception of their local service provider.
 - Percent Repeat Reports: Measured as the percentage of end-user troubles on the same access line within an agreed number of days of the original trouble. Repeat

reports are a key indicator of maintenance process reliability and, historically, have a positive correlation with an end user's perception of local service provider quality.

Studies have shown high correlation between repeat reports and repair errors occurring within 7-10 days and lower correlations beyond 10 days.

- **Percent Out of Service Over 24 Hours:** Measured as a percentage of out-of-service troubles cleared within 24 hours. This measure relates to Mean Time to Restore, but specifically measures parity in *out-of-service* restoral. Required by many state regulatory bodies.
- **Percent Missed Appointments:** Measures the percentage of trouble reports cleared after the promised appointment. Highly visible to end users. Requires that appointment times, once set, cannot be changed except by the end user.
- **Mean Time to Repair:** Measured as the average interval from trouble report to clearance. This is the key measure of trouble report cycle time. Should be gathered and reported on a product and market basis.
- **Trunks Restored Out of Interval:** Measures the percentage of CLEC trunks reported out of service and restored after an agreed-to interval. Important because it impacts the CLEC's ability to handle its traffic efficiently and with a high level of quality.
- **Maintenance OSS Availability:** Measures the available hours of the BOC's maintenance OSSs, as well as system reliability.
- **Maintenance Center Speed of Answer:** Measures the average time to reach a BOC repair service representative. An important measure of adequacy in a manual environment or in a mechanized environment where CLEC service representatives have a need to speak with their BOC peers.
- **Network Quality:** Network quality performance measures measure how well the BOC's network is maintained and whether the BOC's network performance discriminates against new entrants. Comparisons are between the performance distribution for the BOC's retail or subsidiary customers and the performance distribution for CLEC's customers. The

network can be thought to be comprised of three parts: switches, loops, and trunks.

Typical performance measures include Number of Major Network Events; System Signaling 7 (SS7) Link and Database Failures; Post Dialtone Delay; various transmission measures, including Loop Transmission Loss, Signal-to-Noise Ratio, Balance, and Idle Circuit Noise; and Blocked Call Attempts. Current network design, architecture, and operating systems making switching and transmission performance measure discrimination highly unlikely. Unless specifically reprogrammed to do so, the network is not likely to recognize the carrier "owner" of a call processing through it. In contrast, a key area for parity or adequacy concern is trunk blockage, where planning and engineering can have a bearing on individual carrier service quality.

- Percent Blocked Calls: Measures trunking grade (quality) of service. It relates to proper forecasting, engineering, provisioning, and maintenance of intraLATA and interLATA trunks. Generally a parity measurement because CLEC results can be compared to similar BOC trunk group results.
62. BellSouth proposes the following maintenance and repair performance measures:
- Trouble Report Rate: Proposed for resale, UNE, and trunks.
 - Percent Repeat Reports: Trouble reports received within 30 days of the original report are included. Proposed for resale and UNE.
 - Percent Out of Service Over 24 Hours: Proposed for resale.
 - Percent Missed Appointments: In its permanent measurements, proposed for resale only, but included for UNE as well in its interconnection agreement with AT&T (Stacy Performance Aff. Ex. WNS-6).
 - Mean Time to Repair: Proposed for resale, UNE, and trunks.
 - Maintenance Center Speed of Answer: Not proposed in its permanent measurements, but included in its interconnection agreement with AT&T for both resale and UNE.
 - Network Downtime, by network element: Included in its interconnection agreement with Time Warner.

- **Trunking Grade of Service Blocking:** Percentages are proposed for CLEC local service trunk group interconnection, BST local service trunk groups, and common transport trunk groups.

Where appropriate, BellSouth will disaggregate maintenance and repair performance measure results into two sub-categories, non-dispatch and dispatch out.

63. The only maintenance performance measure BellSouth has not proposed in its permanent measurements or in any interconnection agreement is:

- **Maintenance OSS Availability.**

64. **Billing:** Billing performance measures measure the timeliness, accuracy, and completeness of end-user billing records and wholesale bills. These are measures of performance adequacy, important because, once provisioned, billing is the most frequent and visible contact an end user has with the provider. Typical billing performance measures include the following:

- **Bill Timeliness:** Measures the percentage of end-user and wholesale billing records delivered on time.
- **Bill Accuracy:** Measures the percentage of accurate end-user and wholesale billing records.
- **Bill Completeness:** Measures the percentage of complete end-user and wholesale billing records.

65. BellSouth has not proposed any billing performance measures in its permanent measurements. However, it includes the following in its interconnection agreement with AT&T:

- **Bill Timeliness**
- **Bill Accuracy**
- **Bill Completeness**

66. **Other:** Toll and Directory Assistance performance measures measure the speed of response to CLEC customers by BOC operators and speed and accuracy of 911 database updates. They are measures of performance parity. Performance measures include the following:

- Operator Services Toll Speed of Answer: Measures raw interval in seconds or as a percentage under a set objective.
- Directory Assistance Speed of Answer: Measures raw interval in seconds or as a percentage under a set objective.
- 911 Database Update Timeliness and Accuracy: Measures the percentage of missed due dates of 911 database updates and the percentage of accurate updates.

67. BellSouth has not proposed any “Other” performance measures in its permanent measurements or in any interconnection agreements that I have reviewed. However, in its application, BellSouth commits to non-discriminatory access to 911 and E911 services and to maintaining its 911 database for CLECs on the same daily schedule it uses for its own end-user customers. It also commits to non-discriminatory access to Directory Assistance and other Operator Services call completion. (BellSouth Brief at 45)

C. MARKET PARITY

68. Market parity: Market parity ensures that agreed-to performance measures present appropriate customer group comparisons between the BOC and CLECs. This requires the BOC to provide service to appropriate CLEC customer groups at least equal to that provided equivalent customer groups by its retail or subsidiary units. Customer groups generally fall into two categories: Geographic and Class of Service.

- Geographic parity requires that performance measures be identified and measured where a CLEC markets their products. If a CLEC offers service to an entire BOC region, appropriate performance measures would compare CLEC results to total BOC results. If a CLEC offers service to smaller geographic areas, appropriate performance measures would provide comparative BOC results for those areas.
- Class of Service parity requires that performance measures be identified and measured for end-user classes of service targeted by a CLEC. For example, if a CLEC targets only small-business customers, appropriate performance standards would provide BOC results for its small-business customers only for comparison purposes.

69. BellSouth proposes the following market disaggregation of its proposed performance measures results data:

- **Geographic:** BellSouth proposes to provide results on a company-wide and state-wide basis (Stacy Performance Aff. ¶ 33). The company should also commit to provide results for smaller geographic areas if a CLEC chooses to offer service in those areas.
- **Class of Service:** BellSouth proposes to provide results by “type of customer, i.e., consumer, small business, or large business.” (Stacy Performance Aff. ¶ 33)

D. PRODUCT PARITY

70. **Product parity:** Product parity ensures that agreed-to performance measures present the appropriate comparisons on a product basis between the BOC and CLECs. This requires that the BOC provide service to CLECs at least equal to that provided by its retail or subsidiary units, measured for the products a CLEC offers to end users. Product parity includes two dimensions: (1) interconnection arrangement, and (2) products or product families within those arrangements.

- Product parity requires that performance measures be identified, measured, and reported for agreed-to interconnection arrangements. This includes both Total Service Resale (“Resale”) and Unbundled Network Elements (UNE), including individual elements, element combinations, interim number portability, and platform.
- Product parity also requires performance measures be identified, measured, and reported for products or product families a CLEC offers to end users. Examples include POTS, Subrate data, HICAP data, Centrex, and ISDN. If a CLEC offers DS1 service to its end users as part of a UNE loop resale arrangement, the BOC would need to provide results for service provided to those customers and for its own DS1 customers.

71. BellSouth proposes the following product disaggregation of its performance measures results data:

- **Interconnection Arrangement:** Performance measures are proposed for resale and UNE, although not all measures have been proposed for both. No measures are proposed for total facilities-based CLECs.

- Products offered to end users: BellSouth proposes to provide results by “type of service provided, i.e., POTS (also referred to as non-designed), and designed or special services” (Stacy Performance Aff. ¶ 33). BellSouth should further commit to provide results for *any* specific product a CLEC chooses to provide end users in South Carolina..

E. REPORTING REQUIREMENTS

72. Reporting requirements should ensure that performance measures are reported in a way that will allow CLECs and regulators to identify whether parity and adequacy have been achieved. Dimensions include (1) availability of data, (2) entities compared, (3) report frequency, (4) report accuracy, and (5) report format.

- Availability of Data: Relates to the availability of partitioned BOC databases that allow CLECs to access performance measure results when and how they require it.
- Entities Compared: Appropriateness of results comparisons relate to the entities for which the data will be provided: BOC retail? BOC subsidiaries? the CLEC? all CLECs? other?
- Report Frequency: Report frequency relates to how often reports will be provided.
- Report Accuracy: Report accuracy and completeness relates to the statistical validity of the proposed data.
- Report Format: Report format relates to how performance standard results are presented. Are they presented in tabular or graphical form? Are they readable and understandable? Can a CLEC or regulator determine whether parity has been achieved? Have control limits been defined? How many standard deviations does the control limit represent? How many months of data are presented? Can trends be detected? How is result seasonality handled?

73. BellSouth proposes the following performance measure report parameters:

- Availability of Data: BellSouth has implemented a data warehouse that will allow CLECs access to performance measure results and raw data (Stacy Performance Aff. ¶¶ 13-15). This is an outstanding advance in creating an environment where CLECs are

not dependant on ILECs for the production of performance measure reports. BellSouth commits to provide access to all measurements described in Stacy's affidavit (Stacy Performance Aff. ¶ 15).

- **Entities Compared:** BellSouth proposes to provide "performance for CLECs in South Carolina, for all CLECs in BST's nine state region, and comparable total data for all of BST's retail customers." They also have included data for BST in South Carolina only (Stacy Performance Aff. ¶ 20). Although it is *not* clear in the application, I have assumed that "CLECs in South Carolina" includes results for *individual* CLECs. This is implied in its interconnection agreement with AT&T: "enable AT&T to compare BellSouth's performance for itself with respect to a specific measure to BellSouth's performance for AT&T for that same specific measure" (Stacy Performance Aff. Ex. WNS-4 ¶ 1.2).
- **Report Frequency:** Although the data warehouse will allow CLECs access to raw data at any time, BellSouth generally proposes to provide performance measure reports on a monthly basis.
- **Report Format:** BellSouth proposes to use statistical process control (SPC) to determine whether services are being provided at parity. Once enough historical data is collected, BellSouth will establish upper and lower levels of performance. Although BellSouth proposes SPC for parity measures, I have assumed, for purposes of this affidavit, that similar methodology will be used for adequacy measures where a "meaningful opportunity to compete" standard is used. BellSouth proposes that monthly variances in results will not be of any concern unless a CLEC is higher or lower than BST for three consecutive months or falls outside of the control limit in any one month. Should this occur, BellSouth commits to performing a "root cause analysis" to determine the reason for the variation.

SPC is an accepted method to reveal more than nominal variation in one-entity process results over time. Using SPC as a determinant of parity between two or more entities is less clear. BellSouth and individual CLECs should negotiate an agreement as

to what constitutes parity given the data that BellSouth has agreed to produce. For example: Does three standard deviations constitute the right range for being “in control”? Does being “in control” automatically mean that two entities are at parity?

VI. CONCLUSIONS

74. BellSouth clearly has committed to provide service to its CLEC customers in a non-discriminatory manner. It further commits to collecting all the necessary data and providing reports to demonstrate parity or adequacy of results.

75. BellSouth proposes a robust set of performance measures for the maintenance and repair process, but less robust measures for provisioning and ordering. No measures are proposed for pre-ordering or billing (although billing measures are included in its interconnection agreement with AT&T).

76. BellSouth’s proposed market and product data disaggregation and their proposed performance measure reports and data availability are excellent.

77. Specific performance measures BellSouth should be required to provide include the following. “Include as an ongoing measurement” refers to performance measures included in interconnection agreements but not proposed as a permanent measurement. Critical measures are in italics, and bold face indicates additional emphasis:

- Pre-order OSS Availability
- *Pre-order System Response Times—Five key functions*
- *Firm Order Confirmation Cycle Time*: Complete state-specific development
- *Reject Cycle Time*: Complete state-specific development
- Total Service Order Cycle Time
- *Service Order Quality*: One or more suggested measures
- Ordering OSS Availability
- *Speed of Answer—Ordering Center*
- ***Average Service Provisioning Interval***
- *Percent Service Provisioned Out of Interval*: Include as an ongoing measurement

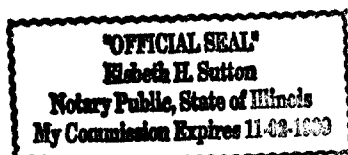
- Port Availability
- Completed Order Accuracy
- *Orders Held for Facilities*
- *Out of Service Over 24 Hours for UNE*
- *Repair Missed Appointment for UNE: Include as an ongoing measurement*
- Maintenance OSS Availability
- *Billing Timeliness: Include as an ongoing measurement*
- *Billing Accuracy: Include as an ongoing measurement*
- *Billing Completeness: Include as an ongoing measurement*
- Operator Services Toll Speed of Answer
- Directory Assistance Speed of Answer
- *911 Database Update Timeliness and Accuracy*

78. On the basis of the above shortfall, I conclude that BellSouth has not provided sufficient performance measures in its application to make a determination of parity or adequacy in the provision of resale or UNE products and services to CLECs in the state of South Carolina.

The information contained in this affidavit is true and correct to the best of my knowledge and belief.

Michael J. Friduss
Michael J. Friduss

Subscribed and sworn to before me this 24~~th~~ day of Oct, 1997.



Elsie H. Sutton
NOTARY PUBLIC

My commission expires:

11/2/99

EXHIBIT 4

RECEIVED

NOV - 4 1997

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

**Public Service Commission of South
Carolina, In Re: Entry of BellSouth
Telecommunications, Inc. into
InterLATA Toll Market, Order
Denying Petition For Rehearing or
Reconsideration,
Docket No. 97-101-C,
Order No. 97-575 (July 7, 1997)**

RECEIVED

JUL 15 1997

BEFORE

THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

Willoughby & Hester

DOCKET NO. 97-101-C - ORDER NO. 97-575

JULY 7, 1997

IN RE: Entry of BellSouth Telecommunications,) ORDER DENYING
Inc. into InterLATA Toll Market.) PETITION FOR
) REHEARING OR
) RECONSIDERATION

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Petition for Rehearing or Reconsideration of our Order No. 97-530 filed by MCI Telecommunications Corporation, Inc. (MCI). For the reasons stated below, we deny the Petition.

In Order No. 97-530, we held that the final decision on the applicability of either Track A or Track B should be deferred to the Federal Communications Commission (FCC), since Federal law is involved in this issue. With regard to Track B availability, MCI requests that the Commission rehear or reconsider Order No. 97-530 in light of the Order of the FCC In the Matter of Application by SBC Communications, Inc., Pursuant to Section 271 of the Communications Act of 1934, as amended, To Provide In-Region, InterLATA Services in Oklahoma, FCC 97-228, CC Docket No. 97-121, June 25, 1997 (herein to be called the FCC Order). MCI states its belief that the FCC's ruling therein with respect to the availability of Track B to RBOCs, such as BellSouth, resolves the

issue involving "Federal law" adversely to the position advanced by BellSouth in its written response to MCI's petition and in its oral argument in connection therewith heard by the Commission on June 11, 1997. This decision related to the application of SBC Corporation for interLATA relief for the State of Oklahoma.

We fail to see how a decision discussing interLATA relief for the State of Oklahoma should impact this Commission's decision to defer this matter to the FCC. The FCC has done nothing more than to make a ruling based on the facts presented with regard to the State of Oklahoma when the Company made its application. The FCC will, no doubt, make a ruling based on the facts presented to it whenever BellSouth makes an application with regard to interLATA relief for the State of South Carolina.

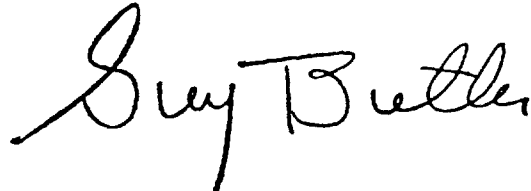
Obviously, the basis for BellSouth's application with regard to interLATA relief for the State of South Carolina will be based on the facts present in the State of South Carolina whenever the application may be filed with the FCC. We are not persuaded by an FCC decision discussing facts about the State of Oklahoma. We see no reason to modify our earlier decision regarding Track B.

Further, MCI urges us to reconsider our position with regard to the applicability of Track A. We once again decline to foreclose consideration of either Track at this time. We think that BellSouth should be able to furnish us with as much information as possible, so that we may carry out our consultative role with the FCC.

DOCKET NO. 97-101-C - ORDER NO. 97-575
JULY 7, 1997
PAGE 3

The Petition is therefore denied. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Deputy Executive Director
(SEAL)

EXHIBIT 5

RECEIVED

NOV - 4 1997

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

**Alabama Public Service Commission, In
Re: Petition for Approval of a Statement of
Generally Available Terms and Conditions
Pursuant to §252(f) of the
Telecommunications Act of 1996 and
Notification of Intention to File a Petition
for In-Region InterLATA Authority with
the FCC Pursuant to §271 of the
Telecommunications Act of 1996, Order,
Docket 25835 (Oct. 16, 1997)**

STATE OF ALABAMA
ALABAMA PUBLIC SERVICE COMMISSION
P.O. BOX 991
MONTGOMERY, ALABAMA 36101-0991

JIM SULLIVAN, PRESIDENT
JAN COOK, ASSOCIATE COMMISSIONER
CHARLES B. MARTIN, ASSOCIATE COMMISSIONER

WALTER L. THOMAS, JR.
SECRETARY

BELLSOUTH TELECOMMUNICATIONS, INC.,

**IN RE: Petition for approval of a
Statement of Generally Available
Terms and Conditions pursuant to
§252(f) of the Telecommunications
Act of 1996 and notification of
intention to file a Petition for
In-region InterLATA Authority with the
FCC pursuant to §271 of the
Telecommunications Act of 1996.**

DOCKET 25835

ORDER

BY THE COMMISSION:

I. INTRODUCTION AND BACKGROUND

By Order entered on February 20, 1997, the Commission established this docket to consider BellSouth Telecommunications, Inc.'s ("BellSouth" or "Petitioner") entry into the interLATA market in Alabama pursuant to §271 of the Telecommunications Act of 1996 (the '96 Act)¹. Said order required BellSouth to file a notice with the Commission at least 90 days in advance of its filing of a Petition for In-region InterLATA authority in Alabama with the Federal Communications Commission ("FCC") pursuant to §271. The February 20, 1997 Order of the

¹The Telecommunications Act of 1996, Pub.L.No. 104-104, 110 stat.56, codified at 47 U.S.C. §§151 et seq. Cites to sections of the '96 Act are accordingly cites to 47 U.S.C.

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Commission also required BellSouth to accompany said notice with certain information requested by the Commission and stated that the decision of whether to establish a public hearing to evaluate BellSouth's compliance with the requirements of §271 would be discretionary with the Commission.

On June 18, 1997, BellSouth filed with the Commission the required notice of the Company's intention to file a §271 Petition for In-region InterLATA authority with the FCC. Included with that notice was a draft Statement of Generally Available Terms and Conditions ("SGAT") for which BellSouth sought approval and review pursuant to §252 (f) of the '96 Act. BellSouth noted that it was delaying the filing of its official SGAT for a short period in order to allow the Commission additional time to analyze the SGAT and render a decision thereon. BellSouth indicated, however, that the final, official SGAT would not be substantially different than the draft version submitted.

BellSouth also indicated in its June 18, 1997 filing that it sought a determination that its SGAT was compliant with the requirements of §271(c)(2)(B). BellSouth additionally requested a determination from the Commission that its entry into the InterLATA market in Alabama will be in the public interest.

Following a preliminary review of BellSouth's initial filing, the Commission determined that the public interest would best be served by establishing public hearings to review BellSouth's SGAT pursuant to the provisions of §252(f) of the '96 Act and to evaluate BellSouth's compliance with the applicable provisions of §271(c) of the '96 Act. Those hearings were established for the week of August 18 - 22, 1997, pursuant to a corrected procedural notice issued by the

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Commission on June 30, 1997. The June 30, 1997, notice also established deadlines for the filing of direct testimony by all intervenors and rebuttal testimony by all parties.

The Commission received Petitions to Intervene in this cause from Sprint Communications Company, L.P. ("Sprint"); the Telecommunications Resellers Association ("TRA"); MCI Telecommunications Corporation and MCImetro Access Transmission Services, Inc. (collectively "MCI"); the Communications Workers of America ("CWA"); American Communications Services, Inc. ("ACSI"); AT&T Communications of the South Central States, Inc. ("AT&T"); DeltaCom, Inc. ("DeltaCom"); the Competitive Telecommunications Association ("CTA"); BellSouth Long Distance, Inc. ("BSLD"); the Alabama Interexchange Carriers Association ("AICA"); KMC Telecom, Inc. ("KMC"); Intermedia Communications, Inc. ("ICI"); the Attorney General of Alabama ("AG"); and ICG Telecommunications Group, Inc. ("ICG"). All of the aforementioned Petitions to Intervene were granted pursuant to a procedural ruling issued on August 14, 1997.

BellSouth presented substantial testimony in support of its petition, the overwhelming majority of which was prefiled with the Commission. BellSouth filed its formal SGAT with the Commission on August 8, 1997.

The intervenors, Sprint, BSLD, ACSI, AT&T, MCI, AICA, KMC, DeltaCom and ICI also submitted prefiled testimony and actively participated in the hearings which were held before the Commission on August 18 - 22, 1997. ICG and the AG were represented in the proceedings, but did not sponsor witnesses. The Commission staff was also represented and actively participated in the hearings through clarifying cross-examination.

II. OVERVIEW OF THE BELL SOUTH FILING

As noted previously, BellSouth's June 18, 1997, filing which commenced formal action in this docket, contained a three-pronged request for relief. More specifically, BellSouth requested that the Commission (1) approve its SGAT pursuant to §252(f) of the '96 Act; (2) render a finding that the SGAT satisfies the 14-point checklist of §271(c)(2)(B) of the '96 Act; and (3) render a finding that BellSouth's entry into the interLATA long distance market in Alabama is in the public interest. It is the first two prongs of BellSouth's request that we are concerned with at this juncture of the proceedings conducted in this cause. We do not attempt, in this Order, to address the issue of whether BellSouth's entry into the InterLATA long distance market is in the public interest.

A. The Commission's responsibilities pursuant to §252(f) of the Telecommunications Act of 1996.

§252(f) allows a BOC to, at any given point in time, prepare and file with a state Commission an SGAT for purposes of delineating the terms and conditions that such company generally offers within that state.² State commissions are required to complete their review of properly submitted SGATs not later than 60 days after their filing unless the submitting BOC agrees to an extension of time.³ State commissions are allowed to continue to review SGATs beyond the 60-day time period established by the '96 Act, but must permit the SGAT being reviewed to go into effect following the sixtieth day unless the submitting BOC has agreed to an extension.⁴

²47 U.S.C. §252(f)(1)

³47 U.S.C. §252(f)(3)

⁴47 U.S.C. §252(f)(4)

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The criteria for reviewing an SGAT are well defined by the '96 Act. In rendering its decision, a state commission is precluded from approving an SGAT unless it complies with the requirements of §251 (and the regulations promulgated thereunder) and the pricing standards for interconnection, unbundled network elements, the transport and termination of traffic and resale established by §252(d).⁵

B. The Commission's Responsibilities pursuant to §271 of the Telecommunications Act of 1996.

BellSouth's request for a determination that its SGAT complies with the 14-point competitive checklist of §271(c)(2)(B) requires the Commission to engage in the consultative responsibilities established by the '96 Act at §271(d)(2)(B). When BellSouth files its Petition for In-region InterLATA authority in Alabama with the FCC, §271(d)(2)(B) requires that the FCC consult with the Commission "in order to verify the compliance of the Bell operating company with the requirements of Subsection(c)" of §271 prior to rendering a determination on BellSouth's filing.

BellSouth's reliance on its SGAT to demonstrate that it meets the requirements of §271(c)⁶ requires BellSouth to demonstrate that it is generally offering access and interconnection in accordance with the applicable provisions of §251 and §252⁷. In particular, §271(c)(2)(B) requires that BellSouth generally offer nondiscriminatory access

⁵47 U.S.C. §252(f)(2)

⁶For the limited purposes of this Order, we do not herein attempt to address the issue of whether Track A or Track B is available to BellSouth.

⁷47 U.S.C. §§271(c)(2)(B)(i) and (ii)

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to its: poles, ducts, and conduits, etc.; unbundled local loop; unbundled local transport; unbundled local switching; 911/E911, directory assistance services, and operator call completion services; white pages directory listings; telephone numbers; databases and associated signaling; and number portability.⁸ Additional obligations imposed by §271(c)(2)(B) require BellSouth to generally offer dialing parity, reciprocal compensation and resale service subject to the applicable requirements of §§251 and 252.⁹

C. The Commission's Process of Review

Due to the substantial overlap of the legal and technical obligations imposed on BellSouth by §§252(f) and 271(c)(2)(B), we have attempted to fulfill our statutory responsibility of reviewing BellSouth's SGAT pursuant to §252(f) by conducting an analysis of the individual checklist requirements of §271(c)(2)(B). This is the approach which most effectively lends itself to rendering the determinations sought in this proceeding by BellSouth.

III. DISCUSSION AND CONCLUSIONS

The Commission staff has been working diligently to ensure that this Commission fulfills its statutory responsibilities in reviewing BellSouth's petition. We have closely monitored these proceedings and the work that has been performed by the staff to this point.

It has become increasingly apparent from our review that BellSouth's request for the Commission to approve its SGAT pursuant to §252(f) and to find that SGAT compliant with

⁸47 U.S.C. §271 (c)(2)(B)(iii) - (x)

⁹47 U.S.C. §271(c)(2)(B)(xi) - (xiv)